

28-4009. Motor vehicle liability policy requirements

A. An owner's motor vehicle liability policy shall comply with the following:

1. The policy shall designate by explicit description or by appropriate reference all motor vehicles for which coverage is granted. If coverage is provided for a fleet of seven or more motor vehicles, the maximum payable for any one accident is the limit of liability stated in the policy. There is no accumulation of coverage for each separate vehicle covered.

2. The policy shall insure the person named in the policy as the insured and any other person, as insured, using the motor vehicle or motor vehicles with the express or implied permission of the named insured against loss from the liability imposed by law for damages arising out of the ownership, maintenance or use of the motor vehicle or motor vehicles within the United States or the Dominion of Canada, subject to limits exclusive of interest and costs, for each motor vehicle as follows:

(a) For a policy that is issued or renewed on or before June 30, 2020 or for a policy that is issued to a person that has a valid certificate of self-insurance or partial self-insurance pursuant to section 28-4007:

(i) \$15,000 because of bodily injury to or death of one person in any one accident.

(ii) Subject to the limit for one person, \$30,000 because of bodily injury to or death of two or more persons in any one accident.

(iii) \$10,000 because of injury to or destruction of property of others in any one accident.

(b) For a policy that is issued or renewed beginning on July 1, 2020, except for a policy that is issued to a person that has a valid certificate of self-insurance or partial self-insurance pursuant to section 28-4007:

(i) \$25,000 because of bodily injury to or death of one person in any one accident.

(ii) Subject to the limit for one person, \$50,000 because of bodily injury to or death of two or more persons in any one accident.

(iii) \$15,000 because of injury to or destruction of property of others in any one accident.

3. By agreement in writing between a named insured and the insurer the policy may exclude as insured a person or persons designated by name when operating a motor vehicle. The written agreement between the named insured and insurer is effective for each renewal of the policy by the insurer and remains in effect until the insurer agrees in writing to provide coverage for the person or persons who were previously excluded from coverage.

B. An operator's motor vehicle liability policy shall insure the person named as insured in the policy against loss from the liability imposed on the person by law for damages arising out of the use by the person of a motor vehicle not owned by the person, within the same territorial limits and subject to the same limits of liability provided in subsection A of this section for an owner's motor vehicle liability policy.

C. A motor vehicle liability policy:

1. Shall state the name and address of the named insured, the coverage afforded by the policy, the premium charged for the policy, the complete vehicle identification number of all vehicles covered by the policy, the policy period and the limits of liability.

2. Shall contain an agreement or be endorsed that insurance is provided under the policy in accordance with the coverage defined in this chapter for bodily injury and death or property damage, or both.

3. Is subject to all of the provisions of this chapter.

4. Is not required to insure liability either:

- (a) Under any workers' compensation law.
- (b) On account of bodily injury to or death of an employee of the insured while engaged in the employment, other than domestic, of the insured or while engaged in the operation, maintenance or repair of the motor vehicle.
- (c) For damage to property owned by, rented to, in charge of or transported by the insured.
- (d) For damage to property or bodily injury caused intentionally by or at the direction of the insured.
- (e) For a private passenger motor vehicle used while a transportation network company driver is logged in to a transportation network company's digital network or software application to be a driver or is providing transportation network services unless expressly authorized by the terms of the motor vehicle liability insurance policy or an endorsement or amendment to the policy.

5. Is subject to the following provisions that are not required to be in the policy:

- (a) The liability of the insurance carrier with respect to the insurance required by this chapter becomes absolute when injury or damage covered by the motor vehicle liability policy occurs. The policy may not be cancelled or annulled as to that liability by an agreement between the insurance carrier and the insured after the occurrence of the injury or damage, and a statement made by the insured or someone on the insured's behalf or a violation of the policy shall not defeat or void the policy.
- (b) The satisfaction by the insured of a judgment for the injury or damage is not a condition precedent to the right or duty of the insurance carrier to make payment on account of the injury or damage.
- (c) The insurance carrier may settle any claim covered by the policy, and if the settlement is made in good faith, the amount of the claim is deductible from the limits of liability specified in subsection A, paragraph 2 of this section.
- (d) The policy, the written application for the policy, if any, and any rider or endorsement that does not conflict with this chapter constitute the entire contract between the parties.

6. May provide that the insured shall reimburse the insurance carrier for any payment the insurance carrier would not have been obligated to make under the terms of the policy except for this chapter.

7. May provide for the prorating of the insurance under the policy with other valid and collectible insurance.

D. A policy that grants the coverage required for a motor vehicle liability policy may also grant lawful coverage in excess of or in addition to the coverage specified for a motor vehicle liability policy, and the excess or additional coverage is not subject to this chapter. With respect to a policy that grants the excess or additional coverage, the term "motor vehicle liability policy" applies only to that part of the coverage that is required by this section.

E. The requirements for a motor vehicle liability policy may be fulfilled by the policies of one or more insurance carriers that together meet the requirements.

F. A binder issued pending the issuance of a motor vehicle liability policy fulfills the requirements for the policy.